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November 20, 1995

Mr. William F. Caton
Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

NOV 20 1995

RE: PR Docket No. 92-235; Examination of Exclusivity and Frequency
Assignment Policies of the Private Land Mobile Radio Services

Dear Mr. Caton:

Enclosed is an original and four copies of the comments the American Gas Association is filing with respect to the above captioned matter. If you have any questions concerning these comments, please contact the person listed below.

Sincerely,

Jeffrey L. Clarke, Esq.
(703) 841-8481

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**Before the
Federal Communication Commission
Washington, D.C. 20554**

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In re:

Examination of Exclusivity and)
Frequency Assignment Policies of the) PR Docket No. 92-235
Private Land Mobile Radio Services;)
47 C.F.R. Part 90)

COMMENTS OF THE AMERICAN GAS ASSOCIATION

Pursuant to sections 1.49, 1.415, and 1.419 of the Commission's Rules, the American Gas Association (A.G.A.) respectfully submits the following comments in regard to the above captioned matter. See Further Notice of Proposed Rulemaking, 60 Fed. Reg. 37,148 (July 19, 1995); Extension of Comment Period, 60 Fed. Reg. 58,893 (October 18, 1995).

I. Introduction

A.G.A. is a trade association composed of about 300 natural gas distribution, transmission, gathering and marketing companies in North America, which together account for more than 90 percent of the natural gas delivered in the United States. In addition, 30 natural gas organizations from countries around the world participate in A.G.A.'s international program. A.G.A. member companies rely on continued operation and access to secure communication systems, including private land mobile radio services, to safely monitor and service an extensive array of pipeline and distribution lines throughout the country. A.G.A., therefore, has a strong interest in the Commission's proposed realignment or refarming of the private land mobile radio

services and its effort to increase the efficiency of these services.

The comments submitted herein are limited to those aspects of the Commission's proposal that pertain to utilizing user fees and competitive bidding. With respect to those aspects of the Commission's proposal that pertain to consolidation of the private radio services, A.G.A. generally supports the comments submitted on behalf of the UTC, the Telecommunications Association, of which A.G.A. is a member.

II. Comments

Access to secure communication systems is critical to the natural gas industry's continued ability to safely and efficiently transport natural gas. Natural gas plays a vital role in the nation's economy, supplying nearly 24 percent of all energy consumed in the U.S., including natural gas used in commercial, industrial, residential, and transportation sectors. Natural gas consumption is expected to be even more significant in the future as a result of its ability to provide environmental and energy security benefits. Due to the aggressive marketing of natural gas by public utilities and energy providers, over 65 percent of all new homes constructed last year utilize natural gas for central heating.

As the Commission may well be aware, the natural gas industry has been heavily regulated. Only recently have regulators moved to deregulate various aspects of the natural gas industry. These changes, however, have not resulted in a relaxing of the safety regulations that govern the transmission and distribution of natural gas. Among the extensive safety regulations are requirements that utility and pipeline

operators prepare emergency response plans that include maintaining reliable communication with fire, police and other public officials. The use of mobile radio services in part enables utilities to provide timely emergency response and crew dispatch, in many cases under severe conditions, e.g., earth quakes, fires, storms, that make other communication systems unreliable.

Natural gas companies are concerned that reliance on public communication networks will undermine their ability to safely and effectively service their pipeline systems. During times of emergency or natural disaster, the public switched network and even cellular networks can become severely congested, making communication difficult if not impossible. The public switched network also is susceptible to damage during fires and other emergencies, leaving parts of the system out of service. Utilities have come to rely on the availability of their secure systems and believe that operation of these private systems provides them with the requisite level of communications necessary to perform their duties.

A.G.A. is very concerned that current regulatory activities at the FCC may limit natural gas operators' access to radio and other communication services, either by requiring energy providers to competitively bid for the spectrum they use or by limiting the spectrum that ultimately is available to them. The reliable supply of energy services provide public benefits not only to those directly served by utilities and pipelines, but also to the millions of people that are indirectly served by the transmission of energy. For example, the restoration of energy supplies during natural disasters and other emergencies is often vital to preserving public safety and health.

Restoration of power makes it easy for other public safety interests to carry out their duties and reduces the burden on fire and police agencies. The communication services utilized by these companies increase public safety and further the public's interest. For these reasons, the FCC should continue to ensure that utilities and energy providers have access to adequate communication services. We believe this includes setting aside specific blocks of spectrum for natural gas operators and treating natural gas operators similarly to other public safety providers.

While we generally agree that market forces are capable of adequately determining the most suitable use of public spectrum and the provision of communication services, these same forces do not take into account the limited ability of public utilities to raise the necessary capital required by auctions or users fees when compared with commercial telecommunication providers. Providing spectrum through competitive bidding also does not guarantee that certain critical services will be provided. Communication providers that pay large sums for spectrum will almost invariably be driven by profits not consideration of the public's interest or protecting public safety. In addition, utilities develop their radio systems as their operational needs change or expand, which may not coincide with the FCC's schedule for spectrum auctions.

Even if commercial telecommunication providers decide to provide services to energy providers, there are still concerns with respect to the reliability of these services and long term stability. Utilities need real time access to communications services and are under obligation to respond on short notice during emergency

situations. Natural gas operators cannot afford any down-time during peak congestion periods or while waiting for communication providers to restore service that has been disrupted as a result of an emergency. It is during these periods that natural gas operators will often be called upon to provide immediate emergency service.

III. Conclusion

A.G.A. supports the Commission's effort to increase the efficiency of spectrum usage. We, however, are concerned that the Commission's effort may overlook the critical need that public utilities and energy providers have when it comes to operation of their internal communication networks. Through the use of secure, internally operated communication systems, public utilities and energy companies have been able to safely and effectively supply millions of Americans with their energy needs. We urge the Commission to preserve the continued access to these communication systems in this and other rulemakings.

Respectfully submitted,

THE AMERICAN GAS ASSOCIATION

Dated: November 20, 1995

By:

A handwritten signature in black ink that reads "Michael Baly III". The signature is written in a cursive, flowing style.

Michael Baly III, President & Chief
Executive Officer

Jeffrey L. Clarke
Counsel and Technical Advisor for
Office of Government Relations
Counsel

For further information concerning these comments, please contact:

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